

Message Text

PAGE 01 TEL AV 08295 181104Z

72

ACTION SS-30

INFO OCT-01 ISO-00 CCO-00 SSO-00 NSCE-00 DODE-00 CIAE-00

USSS-00 INRE-00 NSAE-00 /031 W

----- 009184

R 181014Z OCT 73

FM AMEMBASSY TEL AVIV

TO SECSTATE WASHDC 0163

C O N F I D E N T I A L TEL AVIV 8295

EXDIS

E O 11652: GDS

TAGS: ECON IS

SUBJECT: MATERIAL SHORTAGES IN ISRAEL MILITARY INDUSTRIES

1. AS PART OF OUR CONTINUING EFFORT TO KEEP TRACK OF GENERAL CONDITIONS OF CIVILIAN ECONOMY, COMMERCIAL ATACHE OCT 17 WAS GIVEN TOUR OF ISRAEL MILITARY INDUSTRIES (IMI) PLANT NEAR HAIFA THAT PRODUCES LINE OF SHELLS, ARTILLERY AMMUNITION AND AIRPLANE GASOLINE TANK ASSEMBLIES FOR IDF. SUBSEQUENTLY COMATT WAS INVITED TO MEET IMI'S DEPUTY DIRECTOR GENERAL FOR ISRAEL MILITARY INDUSTRIES ASHER PELEG.

2. MANAGER OF HAIFA PLANT INDICATED PRODOUCTION MANPOWER SHORTAGE HIS BIGTEST PROBLEM. 700-800 FACTORY WORKERS CALLED TO FRONT LINE OUT OF A NORMAL WORK FORCE OF 1400 EMPLOYEES SERIOUSLY CURTAILING PRODUCTION CAPACITY. PLANT HAS HIRED 700 UNSKILLED REPLACEMENTS. TRANSPORT OF RAW MATERIAL AND FINISHED PRODUCT IS NOT PARTICULAR PROBLEM ALTHOUGH SOME DELAYS DUE TO SHORTAGE OF DRIVERS. PRODUCTION MACHINERY AND SPARES IN GOOD SHAPE.

3. RAW MATERIAL SUPPLY NEEDS ARE CRITICAL FOR STEEL, ALUMINUM, BRASS AND COPPER.

4. PELEG, DEPUTY DIRECTOR OF ENTIRE IMI COMPLEX ADVISED THAT GENERAL RAW MATERIAL SHORTAGE FOR STEEL, ALUMINUM, BRASS AND COPPER WAS BECOMING CRUCIAL. DELIVERIES NEEDED BY NOVEMBER. CONFIDENTIAL

PAGE 02 TEL AV 08295 181104Z

PRINCIPAL SUPPLIERS FOR IMI ARE REPUBLIC STEEL AND US STEEL. PELEG ANGRILY STATED THAT DUE TO BRITISH EMBARGO AND FRENCH POSTURE, ALL FUTURE RAW MATERIAL SUPPLIES, MACHINERY, EQUIPMENT, AND SPARE PARTS NEEDS WILL BE PURCHASED FROM THE US AFTER THE

WAR BECAUSE OF US SUPPORT FOR ISRAEL. PELEG REQUESTED WE DO ALL POSSIBLE TO ASSURE US FIRMS PROMPTLY FILL ORDERS FOR URGENT STEEL NEEDS. PURCHASING DIRECTOR OF IMI HEADING FOR US TO COMPLETE SALES. THEY APPARENTLY CONTEMPLATE DELIVERY BY AIR LINES.

5. PELEG ADDED THAT MANPOWER SHORTAGES ARE SEVERE AND HAVE CRIPPLED ESSENTIAL PRODUCTION AT SOME FACTORIES DUE TO SKILLED PERSONNEL SENT TO FRONT. HOWEVER SOME OF THESE KEY PERSONNEL ARE NOW BEING RECALLED TO THEIR FACTORIES.

6. WE HAVE EXPLAINED TO IMI THAT REQUESTS FOR US ASSISTANCE BEING CAREFULLY COORDINATED IN WASHINGTON AND THAT ANY FORMAL REQUESTS SHOULD UTILIZE WASHINGTON CHANNELS.

7. COMMENT: IT IS OBVIOUSLY UP TO GOI TO DECIDE WHETHER IT MAKES SENSE TO FABRICATE ITEMS LIKE SHELLS AND ARTILLERY AMMUNITION IN ISRAEL OR ORDER THEM AS FINISHED PRODUCTS FROM US. PACE AND DURATION OF WAR WILL BE KEY FACTOR IN SUCH DECISIONS. KEATING

CONFIDENTIAL

<< END OF DOCUMENT >>

Message Attributes

Automatic Decaptioning: Z
Capture Date: 11 MAY 1999
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: ECONOMIC CONDITIONS, MILITARY EQUIPMENT, RESERVE SHORTAGE
Control Number: n/a
Copy: SINGLE
Draft Date: 18 OCT 1973
Decaption Date: 28 MAY 2004
Decaption Note: 25 YEAR REVIEW
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: golinofr
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973TELAV08295
Document Source: ADS
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: n/a
Film Number: P750018-1482
From: TEL AVIV
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19731066/abqcekpw.tel
Line Count: 77
Locator: TEXT ON-LINE, TEXT ON MICROFILM
Office: ACTION SS
Original Classification: CONFIDENTIAL
Original Handling Restrictions: EXDIS
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: EXDIS
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: golinofr
Review Comment: n/a
Review Content Flags:
Review Date: 28 DEC 2001
Review Event:
Review Exemptions: n/a
Review History: RELEASED <28-Dec-2001 by shawdg>; APPROVED <16-Jan-2002 by golinofr>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: MATERIAL SHORTAGES IN ISRAEL MILITARY INDUSTRIES
TAGS: ECON, IS
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005